



PUBLIC NOTICE

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CLARIFICATION OF INFORMATION COLLECTION REQUIREMENTS IN THE PAYPHONE COMPENSATION RULES

CC DOCKET NO. 96-128

On October 3, 2003, the Commission released a *Report and Order* in CC Docket No. 96-128 (*Payphone Order*) in which the Commission adopted new rules concerning the compensation of payphone service providers (PSPs) pursuant to section 276 of the Communications Act of 1934, as amended.¹ A summary of the Commission's *Payphone Order* was published in the Federal Register on November 6, 2003 stating that the new rules would become effective on the first day of the first calendar-year quarter following approval of information collection requirements by the Office of Management and Budget (OMB).² The Commission received OMB approval subject to Terms of Clearance that the Commission clarify the information collection requirements of two of the new rules.³ This public notice will clarify one of those rules.⁴

¹ *Implementation of the Pay Telephone Reclassification and Compensation Provisions of the Telecommunications Act of 1996*, CC Docket No. 96-128, Report and Order, 18 FCC Rcd 19975 (2003) (*Payphone Order*).

² 68 FR 62751-01 (Nov. 6, 2003). OMB reviews information collection requirements in new agency rules pursuant to the Paperwork Reduction Act of 1995, Pub. L. 104- 13.

³ See OMB Approval No. 3060-1046 (May 5, 2004). The effective date of the *Payphone Order* and its new rules is July 1, 2004.

⁴ OMB also requested that the Commission clarify the paperwork requirements of our rule requiring a Completing Carrier to have its chief financial officer (CFO) certify PSP payments on a quarterly basis. See OMB Approval No. 3060-1046 (May 5, 2004). Section 64.1310(a)(3) of our rules requires:

At the conclusion of each quarter, the chief financial officer [CFO] of the Completing Carrier shall submit to each payphone service provider to which compensation is tendered a sworn statement that the payment amount for that quarter is accurate and is based on 100% of all completed calls that originated from that payphone service provider's payphones. 47 C.F.R. § 64.1310(a)(3) (emphasis added).

As this rule will not be triggered until the close of the third calendar quarter, on September 30, 2004, we will clarify this rule at a later date.

Our rules permit a Completing Carrier⁵ to enter into an agreement with an interexchange carrier to track and pay for payphone calls on its behalf.⁶ OMB requested that the Commission clarify that, if a Completing Carrier enters into such an agreement, then the Completing Carrier is not obligated to undergo an audit pursuant to section 64.1320⁷ of the Commission's rules.⁸ Because a Completing Carrier need only undergo an audit if it institutes its own tracking and compensation system, we clarify that such an agreement with an interexchange carrier pursuant to section 64.1310(a) relieves a Completing Carrier of section 64.1320's obligation to undergo an audit.⁹

For further information regarding this public notice contact Darryl Cooper, Competition Policy Division, Wireline Competition Bureau, (202) 418-0580.

⁵ The rules define a "Completing Carrier" to mean "a long distance carrier or switch-based long distance reseller that completes a coinless access code or subscriber toll-free payphone call or a local exchange carrier that completes a local, coinless access code or subscriber toll-free payphone call." 47 C.F.R. § 64.1300(a).

⁶ 47 C.F.R. § 64.1310(a).

⁷ 47 C.F.R. § 64.1320.

⁸ See OMB Approval No. 3060-1046 (May 5, 2004).

⁹ 47 C.F.R. §§ 64.1310(a), 64.1320.